

**REGULAR MEETING OF
BELMONT REDEVELOPMENT AGENCY
Tuesday, June 10, 2008
CITY COUNCIL CHAMBERS, ONE TWIN PINES LANE**

CALL TO ORDER 7:40 P.M.

ROLL CALL

Directors Present: Braunstein, Dickenson, Feierbach, Wozniak, Lieberman

Directors Absent: None

Staff Present: Executive Director Crist, Agency Attorney Zafferano, Finance Director Fil, Police Chief Mattei, Community Development Director de Melo, Agency Special Counsel Rosenthal, City Treasurer Violet, Agency Secretary Cook

CONSENT CALENDAR

Approval of Minutes of Regular Meeting of May 13, 2008

ACTION: On a motion by Director Dickenson, seconded by Director Braunstein, the Consent Agenda was unanimously approved by a show of hands.

ADDITIONAL BUSINESS

Resolution Awarding Exclusive Negotiating Agreement for Shoreway Place

Finance Director Fil reviewed the boundaries of Shoreway Place, located on the east side of Highway 101, and noted that it includes the City's Corporation Yard. In February, the Redevelopment Agency took action to create a Unified Development Area, and he described the parcels that were included as part of that action. Following that a request for proposal (RFP) was issued and one proposal received from Bohannon Corporation of San Mateo. The proposal is in compliance with the requirements of the RFP.

Finance Director Fil noted that the Bohannon corporation has been an owner/builder in the region for several years, and its financial statements have been reviewed by Redevelopment consultants Keyser Marsten and were found to be in order. The proposal is consistent with the General Plan and Visioning documents.

Finance Director Fil noted that a letter was recently received from the attorney representing Empire Lumber, indicating that no notice was received for the February hearing. Finance Director Fil noted that the appropriate notification was sent and no mail was returned.

Community Development Director de Melo reviewed the noticing procedure that was utilized in February. He clarified that he has met with the owners of Empire Lumber and provided numerous

documents to them. This item was originally scheduled for May, but extended until this evening in order for them to review the documentation.

Daniel Muller, attorney representing Motel 6/Accor Hospitality, stated that Motel 6 is a lease-tenant on property owned by the Bohannon Corporation. His services were just retained today, and he requested additional time to review this matter. Motel 6 did not receive any notices or other documents, and he stated the rules are not being followed regarding noticing procedures. The leasehold is not addressed in the staff report. The requirement of blight is not met. Eminent domain is a sensitive issue.

James Little, attorney representing Empire Lumber, stated that this business has been located at this site for 31 years. He provided a declaration (on file in Clerk's Office) indicating that no notice was received by Empire Lumber for the February hearing. The City's letter contained no proof of service. The area is not blighted as Empire Lumber is a commercially viable entity. It does not belong in the proposed development. He is requesting a continuance of this matter.

In response to Director Feierbach, Special Counsel Rosenthal clarified that a finding of blight was required to be made at the formation of the Redevelopment Agency in 1982, but is not required for the formation of a Unified Development Area.

Special Counsel Rosenthal further clarified that Redevelopment law sets out specific provisions regarding business and property owners, but tenants do not have the same rights. Owners of businesses can consider re-entry into the redeveloped project, and this would likely be addressed in the future, but is premature at this time. He noted that Mr. Little obtained the documents in question. Letters were not returned and there was evidence they were received. The severance of the Empire Lumber property is a policy issue for the Redevelopment Agency to determine.

Chair Lieberman stated that this process should be collaborative, not adversarial, and he suggested a 30-day continuance. Finance Director Fil stated that the goal is to have a successful project.

Scott Bohannon, Bohannon Corporation, concurred that they desire for this to be a successful project and do not wish to be adversarial. He supports a continuance.

ACTION: On a motion by Chair Lieberman, seconded by Director Feierbach, this matter was unanimously continued to July 8, 2008.

Public Hearing - Adoption of FY 09 Budget

RECESS to City Council Agenda Item 5-A to consider Budget

Meeting audio-recorded and videotaped

Terri Cook

DRAFT